

# **Otsego County Fire Board**

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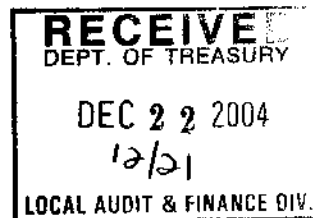
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## **Financial Report**

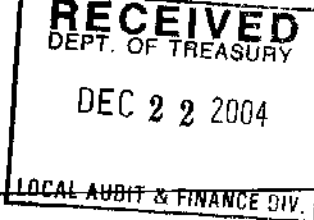
**With Supplemental Information**

**June 30, 2004**



# Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.



Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Government Name <b>Otsego County Fire Board</b>	County <b>Otsego</b>
Audit Date <b>6/30/04</b>	Opinion Date <b>9/8/04</b>	Date Accountant Report Submitted to State: <b>12/17/04</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☒ Yes ☐ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) <b>Plante &amp; Moran, PLLC</b>			
Street Address <b>1999 Walden Drive</b>	City <b>Gaylord</b>	State <b>MI</b>	ZIP <b>49735</b>
Accountant Signature <i>Plante &amp; Moran, PLLC</i>		Date <b>12/17/04</b>	

# **Otsego County Fire Board**

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## Independent Auditor's Report

Otsego County Fire Board  
Otsego County, Michigan

We have audited the accompanying basic financial statements of the Otsego County Fire Board, Otsego County, Gaylord, Michigan as of and for the year ended June 30, 2004, as listed in the table of contents. These basic financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statement referred to above present fairly, in all material respects, the financial position of the Otsego County Fire Board, Otsego County, Gaylord, Michigan as of June 30, 2004, and the respective changes in financial position thereof for the year ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison schedules, as identified in the table of contents, are not a required part of the basic financial statements, but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

As described in Note 11, the Board has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and related statements as of July 1, 2003.

*Plante & Moran, PLLC*

September 8, 2004

# **Otsego County Fire Board**

## **Management's Discussion and Analysis**

This section of the annual financial report of the Otsego County Fire Board presents our discussion and analysis of the entity's financial performance during the fiscal year that ended June 30, 2004. Please read it in conjunction with the financial statements which immediately follow this section.

### **Financial Highlights**

The change in net assets, as calculated on the full accrual basis of accounting was a deficit of \$5,440. The deficiency of revenues under expenditures as calculated on the modified accrual basis of accounting was \$90,241 due to the purchase of a new tanker truck that totaled approximately \$128,000.

Total revenues remained constant from the prior year; however, expenditures on the modified accrual basis of accounting, exclusive of the purchase of capital assets, increased over 5 percent due to the increase in the number of fire runs.

### **Overview of the Financial Statements**

This annual report consists of three parts, management's discussion and analysis, the basic financial statements and required supplementary information. The basic financial statements include two different kinds of statements that present different views of the entity.

The first two statements are entity wide financial statements and provide both long and short-term information about our overall financial status. These statements present government activities.

The remaining statements are fund financial statements, which focus on individual parts of the entity in more detail.

The notes to the financial statements explain some of the information in the statements and provide more detailed data.

### **Entity Wide Statements**

The entity wide statements report information about the entity as a whole using accounting methods used by private companies. The statement of net assets includes all of the entity's assets and liabilities. The statement of activities includes all of the current years revenues and expenses regardless of when received or paid.

The two entity wide statements report net assets and how they have changed. Net assets are the difference between the entity's assets and liabilities. Over time, increases or decreases in the entity's net assets are an indicator of whether financial position is improving or deteriorating.

# **Otsego County Fire Board**

## **Management's Discussion and Analysis**

The activity of The Otsego County Fire Board is reported as a government activity. The Board has no business type activities.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the entity. The entity has only one fund - Fire Fighting. The fund is presented on the modified accrual basis of accounting, which is designed to show short-term financial information. You will note that the differences between the entity wide statements and the fund statements are disclosed to explain the differences between them.

### **Financial Analysis of the Entity as a Whole**

Net Assets - The entity's net assets decreased by approximately \$5,000 during the year ended June 30, 2004, totaling approximately \$697,000.

The primary reason for the decrease in net assets was the recording of depreciation expense.

### **Financial Analysis of the Entity's Funds**

The activities of the Fire Fighting fund have remained constant, consisting of extinguishment of all fires within their jurisdiction. The cost of this service increased approximately 5 percent from the prior year; however, the revenues collected from the Fire Board's contracts with various municipalities remained constant.

### **Capital Asset Activity**

The Fire Board significantly contributed to its ability to contain and extinguish fires through the purchase of a new tanker truck and Scott air bottles.

### **Known Factors Affecting Future Operations**

Voters have approved a one mill property tax assessment for one year for firefighting equipment. This will provide approximately \$650,000, which will be used to replace an aerial truck.

The Fire Board was also awarded a grant from FEMA in the year ended June 30, 2004 that is anticipated to be utilized in the year ended June 30, 2005 to purchase pre-specified firefighting equipment. This grant will provide approximately \$149,000 of which the Fire Board is responsible for matching 10 percent.

# **Otsego County Fire Board**

## **Management's Discussion and Analysis**

### **Contacting Entity Management**

This financial report is designed to provide taxpayers, creditors, investors and customers with a general overview of the Fire Board's finances and to demonstrate the entity's accountability for the revenues it receives. If you have questions concerning this report please contact Mr. Mark Lambert or Mr. Tim Warren at Otsego County Fire Department, P.O. Box 954, Gaylord, Michigan, 49734.



Mark Lambert

Secretary/Treasurer  
Otsego County Fire Board

# **Otsego County Fire Board**

## **Governmental Fund Balance Sheet - Statement of Net Assets June 30, 2004**

	Balance Sheet - Modified Accrual	Adjustments (Note 2)	Statement of Net Assets - Full Accrual
<b>Assets</b>			
Cash (Note 5)	\$ 38,113	\$ -	\$ 38,113
Grant receivable (Note 6)	135,869	-	135,869
Nondepreciable capital assets, net (Note 7)	-	38,455	-
Depreciable capital assets, net (Note 7)	-	675,951	714,406
Total assets	<u>\$ 173,982</u>	714,406	888,388
<b>Liabilities</b>			
Deferred revenue (Note 6)	\$ 134,596	-	134,596
Accrued payroll	49,569	-	49,569
Other accrued liabilities	7,380	-	7,380
Total liabilities:	191,545	-	191,545
<b>Fund Deficit - Unreserved and undesignated</b>	<u>(17,563)</u>	17,563	
Total liabilities and fund deficit	<u>\$ 173,982</u>		
<b>Net Assets</b>			
Investment in capital assets		675,951	714,406
Unrestricted (deficit)		(17,563)	(17,563)
Total net assets		<u>\$ 38,455</u>	<u>\$ 696,843</u>



# Otsego County Fire Board

## Statement of Governmental Fund Revenue, Expenditures, and Changes in Fund Balance - Statement of Activities Year Ended June 30, 2004

	Revenues and Expenditures - Modified Accrual	Adjustments (Note 2)	Statement of Activities - Full Accrual
<b>Revenue</b>			
Contracts	\$ 233,500	\$ -	\$ 233,500
Federal grants	3,850	-	3,850
Interest	1,380	-	1,380
Miscellaneous	9,108	-	9,108
Total revenue	247,838	-	247,838
<b>Expenditures</b>			
Fire fighting - Wages	77,818	-	77,818
Administrative - Salaries	18,920	-	18,920
Payroll taxes	7,400	-	7,400
Repairs, maintenance and contracted services	2,894	-	2,894
Fuel and oil	2,556	-	2,556
Insurance	24,512	-	24,512
Utilities	9,119	-	9,119
Communications and telephone	3,053	-	3,053
Fire fighting supplies	14,568	-	14,568
Office supplies	1,554	-	1,554
Vehicle supplies and expense	13,817	-	13,817
Service contracts	3,370	-	3,370
Fines and penalties	3,380	-	3,380
Education and training	423	-	423
Professional services	1,500	-	1,500
Miscellaneous expense	12,525	-	12,525
Capital outlay	144,170	(144,170)	-
Depreciation	-	57,331	57,331
Total expenditures	341,579	(86,839)	254,740
<b>Deficiency of Revenue Under Expenditures</b>	(93,741)	86,839	(6,902)
<b>Other Financing Sources</b>			
Sale of capital asset	3,500	(2,038)	1,462
<b>Net Change in Fund Balance</b>	(90,241)	84,801	(5,440)
<b>Fund Balance/Net Assets - Beginning of year</b>	72,678	629,605	702,283
<b>Fund Balance (Deficit)/Net Assets - End of year</b>	<u>\$ (17,563)</u>	<u>\$ 714,406</u>	<u>\$ 696,843</u>

# Otsego County Fire Board

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## Notes To Financial Statements June 30, 2004

### Note 1 - Significant Accounting Policies

The accounting policies of the Otsego County Fire Board (Fire Board) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the significant accounting policies used by the Fire Board.

**Reporting Entity** - The Otsego County Fire Board was organized in 1977 by the Townships of Bagley, Chester, Dover, Elmira, Hayes, Livingston, Otsego Lake and the City of Gaylord, all in Otsego County, Michigan. Elmira and Otsego Lake have since disengaged themselves from the Fire Board. The Fire Board operates under a governing body of 13 members referred to as the Otsego County Fire Board. The individual members have delegated authority to the Fire Board for operation of the department and maintenance of assets. The Board appoints a Chairman to preside over Board meetings, a secretary to record activities of the Board and a treasurer to pay bills and maintain cash assets. All activities are included under the Fire Board's control and reports are made periodically to each member.

There is an organization known as the Otsego County Fire Department. These financial statements should not and do not reflect any activity or assets of the Otsego County Fire Department.

**Government-wide and Fund Financial Statements** - The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the Board.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation** - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

# Otsego County Fire Board

## Notes To Financial Statements June 30, 2004

### Note 1 - Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

The Board reports the following major governmental fund:

**General Fund** - The General Fund is the Board's only operating fund. It accounts for all financial resources of the Board

**Revenue** - The Fire Board's primary source of revenue consists of contracts with each of its member units. These contracts are based on the members population and S.E.V. Other revenues include billings for fires extinguished on personal property and interest income.

**Budget** - An annual budget is prepared by the management and adopted by the Fire Board prior to the beginning of the fiscal year; subsequent amendments are approved by the Fire Board. Unexpended appropriations lapse at year end. The Fire Board may pass amendments to the budget during the fiscal year by resolution. During the current year, the budget was amended in a legally permissible manner.

The budget has been prepared in accordance with accounting principals generally accepted in the United States of America.

The actual revenue reported on the Budgetary Comparison Schedule included in the Required Supplemental Information does not agree to the Statement of Governmental Fund Revenue, Expenditures, and Changes in Fund Balance because the gain on sale of capital assets is reported as an Other Financing Source on the Statement of Governmental Fund Revenue, Expenditures, and Changes in Fund Balance and as miscellaneous revenue on the Budgetary Comparison Schedule.

Amounts encumbered for purchase orders, contracts, etc. are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

# Otsego County Fire Board

## Notes To Financial Statements June 30, 2004

### Note 1 - Significant Accounting Policies (Continued)

**Significant Budget Deviations** - For the year ended June 30, 2004, a significant budget to actual deviation occurred for the capital outlay expenditure line item. The deviation is due to the purchase of a tanker truck and other equipment for approximately \$144,000. The budgeted capital expenditures for the year ended June 30, 2004 were approximately \$103,000. Although expenditures exceeded budget, the Fire Board considered the purchased equipment necessary to provide adequate fire protection to the residents within the Fire Board's jurisdiction.

**Capital Assets** - Capital assets, which include property, buildings, equipment, and vehicles are stated at historical cost and comprehensively reported in the government-wide financial statements. Capital assets are defined by the Board as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Donated assets are recorded at estimated fair market value at the date of donation.

Buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

Buildings and building improvements	20 – 50 years
Vehicles and equipment	3 – 30 years

**Fund Equity** - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**Use of Estimates** - The preparation of financial statements in conformity with accounting principals generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

# Otsego County Fire Board

## Notes To Financial Statements June 30, 2004

### Note 2 - Custody of Assets

All assets are under the control of the Fire Board. Per state statute, the Fire Board may not retain title to any assets and must designate one member as custodian. The City of Gaylord has been designated as the custodial member. The City of Gaylord delegates authority to the Fire Board. The City of Gaylord audited financial statements are located at 225 West Main Street, Gaylord, Michigan 49735.

### Note 3 - Reconciliation of Government-wide and Fund Financial Statements

Total fund balances and the net change in fund balances of the Fire Board's General Fund differ from net assets and changes in net assets of the governmental activities reported in the statement of net assets and the statement of activities. This difference results primarily from the long-term economic focus of the statement of net assets and the statement of activities versus the economic focus of the statement of the governmental fund balance sheet and the statement of revenue, expenditures, and changes in fund balance. The following reconciliations of fund balance to net assets and the net change in fund balance to the net change in net assets are as shown:

Total Fund Deficit - Governmental Fund	\$ (17,563)
Amounts reported for in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds	<u>714,406</u>
Total Net Assets - Full Accrual Basis	<u>\$ 696,843</u>

# Otsego County Fire Board

## Notes To Financial Statements June 30, 2004

### Note 3 - Reconciliation of Government-wide and Fund Financial Statements (continued)

Net Change in Fund Balance - Modified Accrual Basis \$ (90,241)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures in the statement of activities, these costs are allocated over their estimated useful lives as depreciation. This is the amount by which capital outlays exceed depreciation in the current period

Capital outlay	\$ 144,170	
Depreciation expense	<u>(57,331)</u>	86,839

Gain on sale of assets are recorded in the statement of activities as the difference between the sales price and basis of the asset; it is reported in the fund statements as the gross proceeds received from the sale of the asset. This is the amount by which the sold asset's basis is reduced by prior depreciation

Proceeds from sale of capital asset	\$ (3,500)	
Gain reported on sale of asset	<u>1,462</u>	<u>(2,038)</u>

Change in Net Assets of Governmental Activities - Full Accrual Basis \$ (5,440)

### Note 4 - Stewardship, Compliance, and Accountability

**Fund Deficit** - The Board has accumulated a fund deficit in the General Fund due to the purchase of a large piece of equipment in the year ended June 30, 2004. Management anticipates the elimination of the fund deficit in less than a year as no large purchases are anticipated in the following year that will not be funded by grant proceeds and the Fire Board has budgeted revenues in excess of expenditures for the year ended June 30, 2005.

### Note 5 - Cash

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The Board has designated one bank for the deposit of its funds. The Fire Board's deposits are in accordance with statutory authority.

The Fire Board's cash is comprised of bank deposits that are reflected in the accounts of the bank (without recognition of checks written but not yet cleared or of deposits in transit) at \$39,847 which is all covered by federal depository insurance.

# Otsego County Fire Board

## Notes To Financial Statements June 30, 2004

### Note 6 - Grant Receivable

During the year ended June 30, 2004, the Fire Board received two grants: a grant from the State of Michigan Department of Natural Resources for \$4,170 that requires a 50 percent match, and one from the Federal Emergency Management Agency for \$134,276 that requires a 10 percent match. As of June 30, 2004, only \$2,577 of the grants has been received by the Fire Board. The remainder outstanding is recorded as a grant receivable.

Deferred revenue is reported in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. As of June 30, 2004, deferred revenue is comprised of grants awarded to the Fire Board but not yet earned.

### Note 7 - Fixed Assets

The schedule of changes in general fixed assets is as follows:

	Balance July 1, 2003	Additions	Disposals and Adjustments	Balance June 30, 2004
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 38,455	\$ -	\$ -	\$ 38,455
Capital assets being depreciated:				
Buildings and improvements	277,825	-	-	277,825
Vehicles and equipment	780,394	144,170	11,377	913,187
Subtotal	1,058,219	144,170	11,377	1,191,012
Accumulated depreciation:				
Buildings and improvements	121,143	6,084	-	127,227
Vehicles and equipment	345,926	51,247	9,339	387,834
Subtotal	467,069	57,331	9,339	515,061
Net capital assets being depreciated	591,150	86,839	2,038	675,951
Net capital assets	\$ 629,605	\$ 86,839	\$ 2,038	\$ 714,406

# **Otsego County Fire Board**

## **Notes To Financial Statements June 30, 2004**

### **Note 8 - Contracts**

There is an organization known as the Otsego County Fire Department. These financial statements do not reflect any activity or assets of the Otsego County Fire Department. The Board contracts with the Otsego County Fire Department for firemen.

### **Note 9 - Risk Management**

The Otsego County Fire Board is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omission, injuries to employees; and natural disasters. The Otsego County Fire Board participates in the Michigan Municipal Liability and Property pool, a self-insured group. The pool is considered a public entity risk pool. The Otsego County Fire Board pays annual premiums to the pool for the respective coverage. In the event a pool's total claims and expenses for a policy year exceed the normal annual premiums for said years, all members of the pool's policy may be premiums subject to special assessment to make up the deficiency. The pool maintains reinsurance for claims generally in excess of \$500,000 for each occurrence with the overall maximum coverage varying, depending on the specific type coverage of reinsurance. The Otsego County Fire Board has not been informed of any special assessments. There were no significant claims for the year, nor were there any significant changes in coverage. The Otsego County Fire Board carries commercial insurance for other types of loss.

### **Note 10 - Occupational Safety and Hazard Administration Review**

The Occupational Safety and Hazard Administration (OSHA) conducted a review of the Otsego County Fire Board and their facilities in 2001. OSHA levied \$22,000 in fines and penalties for health and safety violations. The Otsego County Fire Board has settled the fines for \$7,200; however, the Fire Board has not paid the fine as of June 30, 2004. This amount has been accrued at year-end.

### **Note 11 - Accounting and Reporting Change**

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. The Otsego County Fire Board has applied the provisions of this statement in the accompanying financial statements (including the notes to the financial statements). Certain significant changes in the statement include the following:

- A Management's Discussion and Analysis (MD&A) section providing an analysis of the Fire Board's overall financial position and results of operations.



# **Otsego County Fire Board**

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## **Notes To Financial Statements June 30, 2004**

### **Note 11 - Accounting and Reporting Change (Continued)**

- Financial statements prepared using full accrual accounting for all of the Fire Board's activities.
- Capital assets in the governmental activities column of the statement of net assets. These assets would previously have been reported in the General Fixed Asset Account Group.
- Capital assets at July 1, 2003 previously reported in the General Fixed Asset Account Group have been adjusted by approximately \$65,000 to reflect the historical cost of the Fire Board's capital assets at that date.

## **Required Supplemental Information**

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# **Otsego County Fire Board**

## **Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended June 30, 2004**

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
<b>Revenue</b>				
Contracts	\$ 233,500	\$ 233,500	\$ 233,500	\$ -
Federal grants	-	-	3,850	3,850
Interest	-	-	1,380	1,380
Miscellaneous	-	-	12,608	12,608
<b>Total revenue</b>	<b>233,500</b>	<b>233,500</b>	<b>251,338</b>	<b>17,838</b>
<b>Expenditures</b>				
Fire fighting - Wages	55,000	81,000	77,818	3,182
Administrative - Salaries	22,000	22,000	18,920	3,080
Payroll taxes	-	-	7,400	(7,400)
Repairs, maintenance and contracted services	11,000	11,000	2,894	8,106
Fuel and oil	2,000	2,000	2,556	(556)
Insurance	20,000	20,000	24,512	(4,512)
Utilities	10,000	10,000	9,119	881
Communications and telephone	3,500	3,500	3,053	447
Fire fighting supplies	28,000	28,000	14,568	13,432
Office supplies	2,000	2,000	1,554	446
Vehicle supplies and expense	-	-	13,817	(13,817)
Service contracts	15,000	15,000	3,370	11,630
Capital outlay	102,678	102,678	144,170	(41,492)
Fines and penalties	-	-	3,380	(3,380)
Education and training	3,000	3,000	423	2,577
Professional services	2,000	2,000	1,500	500
Contingency	30,000	4,000	-	4,000
Miscellaneous expense	-	-	12,525	(12,525)
<b>Total expenditures</b>	<b>306,178</b>	<b>306,178</b>	<b>341,579</b>	<b>(35,401)</b>
<b>Deficiency of Revenue Under Expenditures</b>	<b>(72,678)</b>	<b>(72,678)</b>	<b>(90,241)</b>	<b>(17,563)</b>
<b>Fund Balance - Beginning of year</b>	<b>72,678</b>	<b>72,678</b>	<b>72,678</b>	<b>-</b>
<b>Fund Deficit - End of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (17,563)</b>	<b>\$ (17,563)</b>